

**MINUTES OF THE GENERAL MEETING
AND THE
BOARD OF TRUSTEES OF THE
KANE COUNTY WATER CONSERVANCY DISTRICT
HELD AT THE DISTRICT OFFICE
725 EAST KANEPLEX DRIVE
KANAB, UTAH 84741
AUGUST 13TH, 2026**

The general meeting of the **BOARD OF TRUSTEES OF THE KANE COUNTY WATER CONSERVANCY DISTRICT** was held at the Kane County Water Conservancy District (KCWCD) Office, Kanab, Utah on the 13th, day of August 2026 at 6:00 P.M. Board Chairman Clay Hansen welcomed board members, employees, and public attendees to the meeting. Clay conducted a roll call at the beginning of the board meeting. Board members in attendance said present.

THE MEETING OPENED WITH THE PLEDGE OF ALLEGIANCE and OPENING PRAYER: Steve Shrope offered the opening prayer at the beginning of the board meeting. The board members and employees of the KCWCD participating in the meeting were: Board Chairman Clay Hansen, Board Members Steve Shrope, McKay Chamberlain, Ben Clarkson and Ferril Heaton. Mike Kenner participated by phone. Board Member David Schmuker was not present for the board meeting. KCWCD management and staff in attendance included: General Manager, Michael Noel, and Board Secretary and Office Manager Amanda Buhler and KCWCD attorney Shea Owens. Contract employees in attendance included General Manager's Secretary, Jennifer Stewart, Consultant Dirk Clayson and Commissioner Patty Kubeja. Beau Folsom representing East Vermillion Cliffs and Zach Hascall representing Chamber of Commerce Duck Creek Village Association were also in attendance.

AGENDA ITEM NO. 1: APPROVAL OF MINUTES: MOTION: McKay Chamberlain made a motion to approve the July 9th, minutes. Steve Shrope seconded it. The vote was unanimous in the affirmative.

AGENDA ITEM NO. 2: DUCK CREEK WATER SYSTEM AND DUCK CREEK WASTEWATER SYSTEM: Zach Hascall representing Duck Creek Village Chamber of Commerce was in attendance to make a formal request for a parcel of property that could be used for a community public restrooms in the village area. The KCWCD has title to this property. Mr. Hascall stated that their organization has collected approximately \$80,000 in funds to construct the bathrooms. At some point in the future many of the Duck Creek Village area would like to create a town in the area. No formal decision was made by the board regarding the transfer of the property. Attorney Shea Owens reviewed a draft policy for removing a water meter on private property. After an extensive discussion by the board it was decided that the current policy to not allow disconnecting water meters will remain in effect. Mike reported on the Alton Town Water delivery rates-Mike reported he met with Mayor Cox and Brent Gardner on developing a permanent water system. Mike feels the best plan would be to go with a six inch meter, which would have an impact fee of \$466,000 for a connection from the District. They have a tank and a fire system that runs off of a non culinary system. The calculations would be \$6,000 per connection, \$2,500 for a water share and a meter fee. The

total would cost them approximately \$8,672 per connection. This would give them a stabilized water system, and an opportunity to meet future growth.

MOTION: Steve Shrope made a motion to instruct District attorney Shea Owens to send Taylor Button a letter explaining the denial of his request for a water meter removal and the District's current policy. McKay Chamberlain seconded it. Vote was unanimous in affirmative.

Shea will send the letter to Mike and Amanda for their approval before sending it to Mr. Button.

Mike explained that he met with Alton Town clerk Kerry Heaton and Sunrise Engineers Dustyn Shaffer and Nate Wallentine to discuss the proposal for a new water system with a six inch meter for Alton Town. The cost of the meter is \$466,000 which can be paid out over 30 years. This would buy them 58 hookups and an additional 34 hookups for the future. The meter would go right into the tank on the hill. They will be responsible to maintain their own system. They currently have their own tank and fire system that runs off of non-culinary systems. The calculations would be \$6,000 per connection, \$2,500 for a water share and a meter fee. The total cost per meter hookup would be approximately \$8,672 per connection. This would give them a stabilized water system, and an opportunity to meet future growth.

MOTION: Steve made a motion to adopt Resolution 2026-1, a rate fee structure for the Alton Town Water System. Ben seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 3: JACKSON FLAT RESERVOIR AND KANAB IRRIGATION COMPANY COORDINATION:

(a) Jackson Flat Reservoir water update: Mike reported the reservoir is at 56% capacity. This is the lowest the water has ever been at this time of year. The Kanab Irrigation Company plans to turn off the irrigation water one day a week and store the water to be used to water crops throughout the balance of the growing season. There are about six weeks left of the growing season.

(b) July 24th celebration- The 2026 yearly celebration was very successful again this year. Several thousand people attended the celebration and dinner. Our staff did an excellent job cooking and serving food. The Kane County volunteer center did a great job setting up tables, the shade structures and chairs as well as directing traffic and parking. The two music bands did an outstanding job and many local and out of town families enjoyed the activities throughout the day. We have received many compliments about the beautiful fireworks, the bands and the dinner as well as the overall activities celebrating the Days of 47, Pioneer Day.

(c) Stella Vista Observatory Building Project- The County Commissioners are very supportive of moving forward with this project and helping fund \$110,000 of the infrastructure to get it started. Work will start on the building in August. We are requesting an extension on the Outdoor Recreation Grant. We expect it to be granted for a year.

(d) Easement for UDOT on well property: Dirk reported on this project. There will be minimal impact on our property.

AGENDA ITEM NO. 4: JOHNSON CANYON WELL PROJECT: (a) Mike reported that we won't be starting this project until we shut down the irrigation water. We have two grants to build

the building and the pipeline. We will use a 4 inch pipe to serve the people that are already north of the main line.

AGENDA ITEM NO. 5: EAST KANE COUNTY WATER SYSTEM: (a) New Paria and West

Clark Bench: Mike reported we got a clean water sample test result from the New Paria well #2. Radium levels are within state and federal standards We can now put the new well on line. Mike asked Sunrise Engineering to meet with Bob Jones, who is the developer for Powell Springs. So far they have not followed up on the contact. This is another project we won't start working on until the fall.

AGENDA ITEM NO. 6: FINANCIALS:

(a) Mike and Amanda reviewed the PTIF Accounts and financials. The State Bank of Southern Utah Enterprise checking account has a balance of 6,841.23. We are waiting on a reimbursement of \$18,014.75 which would leave a balance of \$24,855.98 The various Public Treasurer's Investment Funds (PTIF) balances total \$1,849,816.52. We have collected 11% of the projected budgeted water fees for FY 2025-2026.

(b) The check register was reviewed by the board. There were questions asked about various key transactions on the register. Currently, for FY 2025/2026 there are 20 new connections in Johnson Canyon, 13 connections in Duck Creek and 1 connection in the East Kane County Water System.

(c) Based on current projections, we expect to receive \$1,115,000 in tax revenue for FY 2025/2026.

The actual yearly tax revenue will most likely be more than we projected to receive, as we have always estimated new connections very conservatively in our tax revenue projections. The board members reviewed and signed off on the checking account register. Amanda asked all attending board members to sign the bank statements that she provided for them.

MOTION: Ben Clarkson made a motion to approve the financial statement, check register, payment of bonds and bills, and check #s 21039 to 21118. Ferril Heaton seconded it. The vote was unanimous in the affirmative. The board considered all of the financial numbers correct as of August 13th, 2026 presented at the August 13th, 2026, meeting.

PTIF Project Escrow's	\$ 717,485.92
Enterprise Fund – Checking # 5110788	\$ 6,841.23
PTIF Enterprise - #3697	\$ 3,108.34
PTIF Muni Escrow- #3891	\$ 373,252.31
PTIF Stabil.Cap./Replacement - #3889	\$ 81,541.99
PTIF Total Bond/Res. Accts.	<u>\$ 1,391,913.88</u>
Sub-Total Checking/Savings	\$ 2,574,143.67
Accounts Receivable	\$ 425,275.74
Total Other Current Assets	<u>\$ 496,058.89</u>
Balances/All Funds	\$ 3,397,321.97

AGENDA ITEM NO. 7: COVE RESERVOIR:

(a) Closed session to discuss draft EIS and Property Purchases:

MOTION: Steve Shrope made a motion to go into a closed session for the purpose of discussing the Draft EIS for the Cove Reservoir and for the possibility of selling surplus property within our service areas. McKay Chamberlain seconded it. Vote was unanimous in the affirmative.

MOTION: Ben Clarkson made a motion to go out of closed session. Steve seconded it. The vote was unanimous in the affirmative.

AGENDA ITEM NO. 8: GENERAL MANAGER’S REPORT:

AGENDA ITEM NO. 9: BOARD CHAIRMAN REPORT:

(a) Bylaw Review

(b) Closed Session if needed

(c) Next Meeting Date: September 10th, 2026, 6:00 P.M. @ Kane County Water Conservancy District.

MOTION: Ferril made a motion to adjourn. Ben Clarkson seconded it. The meeting was adjourned at 8:36 P.M. on August 13th, 2026 per a unanimous vote.

APPROVED:

Clay Hansen- Chairman, Board of Trustees, KCWCD - Date

Michael E. Noel – General Manager, KCWCD - Date

Amanda Buhler- Board Clerk, KCWCD - Date